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AUTHOR	Mize, Rita M.
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ABSTRACT

This paper describes the agencies and organizations with oversight and intervention authority in local community college district affairs, including: (1) locally-elected governing boards; (2) the Board of Governors and California Community College Chancellor's Office; (3) the Accrediting Commission for Community and Junior Colleges; (4) county grand juries; (5) the Bureau of State Audits/Joint Legislative Audit Committee; (6) district attorney offices; (7) county offices of education; and (8) other state, federal and county agencies. Summarized are each of these organizations' authoritative roles and fiscal responsibilities. Other federal, state, and local agencies that have varying amounts of authority over elements of community college operation include: (1) the Environmental Protection Agency; (2) the Federal Emergency Management Authority; (3) the Seismic Safety Commission; (4) the California Compensation Insurance Fund; (5) the Social Security Administration; and (6) OccupationalSafety and Health. Based on this paper's review of the controls and mechanisms currently in place for oversight of and intervention in the local operations of the California Community College Districts, there are significant protections in place for the students served and the citizens of the state. (AS)

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Oversight and Intervention in the Local Operations of California Community Colleges

Rita M. Mize, Ph.D.

November 30, 1998

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R. Mize

Community College League of California
2017 O Street
Sacramento, CA 95814
916.444-8641 916.444-2954 (fax)

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OVERSIGHT OF AND INTERVENTION IN THE LOCAL OPERATIONS OF CALIFORNIA COMMUNITY COLLEGES

November 30, 1998

INTRODUCTION

Occasionally, various agencies or organizations perceive problems at local community colleges and calls are made for greater oversight or authority to intervene in local district affairs. Before considering added oversight/intervention, it is important to understand and determine the adequacy of the mechanisms and controls that are in place now for oversight. This paper will provide a brief description of the agencies and organizations with oversight authority and authority to intervene in local community college district affairs. They include:

- Locally-elected governing boards
- Board of Governors (BGCCC) and California Community College Chancellor's Office (CCCCO)
- Accrediting Commission for Community and Junior Colleges (ACCJC)
- County Grand Juries
- Bureau of State Audits/Joint Legislative Audit Committee (JLAC)
- District Attorneys Offices
- County Offices of Education
- Other State, Federal and County Agencies

LOCAL ELECTED GOVERNING BOARDS

California community college districts are governmental entities overseen by boards of locally-elected trustees with explicit powers and authority. Most of this authority is detailed in Education Code Section 70902 which provides local governing boards with the authority to: "establish, maintain, operate, and govern one or more community colleges in accordance with law;" conduct or initiate "any program, activity, or may otherwise act in any manner that is not in conflict with or inconsistent with, or preempted by, any law and that is not in conflict with the purposes for which community colleges are established...;" establish rules and regulations not inconsistent with the regulation of the Board of Governors..." and California statutes; and do the following, consistent with minimum standards established by the BGCCC:

- Establish policies for, and approve, current and long-range academic and facilities, plans and programs.
- Establish policies for and approve courses of instruction and educational programs.
- Establish academic standards, probation and dismissal and readmission policies, and graduation requirements.

- Employ and assign all personnel and establish employment practices, salaries, and benefits for all employees.
- Determine and control the district's operational and capital outlay budgets.
- Manage and control district property.
- Establish procedures to ensure faculty, staff and students the opportunity to express their opinions at the campus level and insure the opinions are given reasonable consideration.
- Establish rules and regulations governing student conduct.
- Establish student fees as required by law, and other fees as authorized by law.
- Receive and administer gifts, grants, and scholarships.
- Provide auxiliary services necessary to achieve the purposes of the college
- Determine the district's academic calendar.
- Hold and convey property for the use and benefit of the district.
- Participate in the consultation process established by the BGCCC for the development and review of policy proposals.

BGCCC AND CCC CHANCELLOR'S OFFICE

The BGCCC/Chancellor's Office has the greatest level of responsibilities, which fall into three general categories: fiscal, management, and educational programs. The general responsibilities of the Board, from Education Code Section 70901, are:

A. To provide leadership and direction in the continuing development of the colleges as an integral and effective element in the structure of public higher education in the state. The work of the Board of Governors shall at all times be directed to maintaining and continuing, to the maximum degree permissible, local authority and control in the administration of the California community colleges.

B. To provide general supervision over community college districts and in furtherance therefore, perform the following functions:

1. Establish minimum standards as required by law, including but not limited to minimum standards for the following purposes:

   a) To govern student academic standards relating to graduation requirements and probation, dismissal, and readmission policies

   b) For the employment of academic and administrative staff in community colleges

   c) For the formation of community college and districts

   d) For credit and noncredit classes

   e) To ensure faculty, staff and students the right to participate effectively in district and college governance, and the opportunity to express their opinions and ensure that these opinion are given reasonable consideration, and the right of academic senate to assume primary

responsibility for making recommendations in the areas of curriculum and academic standards

2. Evaluate and issue annual reports on the fiscal and education effectiveness of community college districts and provide assistance when districts encounter severe management difficulties.
3. Conduct necessary systemwide research on community colleges and provide appropriate information services.
4. Provide representation, advocacy and accountability for the Colleges before state and national legislative and executive agencies.
5. Administer state support programs, both operational and capital outlay, and those federally supported programs for which the Board has responsibility. In doing so, the BGCCC shall:
   a) Annually prepare and adopt a program budget for the CCCs
   b) Establish the method for determining and allocating the state general apportionment
   c) Establish space and utilization standards for facility planning in order to determine eligibility for state funds for construction purposes
6. Establish minimum conditions entitling districts to receive state aid for support of the colleges. In so doing, the BGCCC shall establish and carry out a periodic review of each community college district to determine whether it has met the minimum conditions prescribed by the BGCCC.
7. Coordinate and encourage interdistict, regional, and statewide development of community college programs, facilities, and services.
8. Facilitate articulation with other segments of higher education and with secondary education.
9. Review and approve comprehensive plans for each community college district.
10. Review and approve all education programs offered by community college districts and all courses that are not offered as part of an education program approved by the BGCCC.
11. Exercise general supervision over the formation of new districts and the reorganization of existing districts.
12. Be solely responsible for establishing, maintaining, revising, and updating the uniform budgeting and accounting structure and procedures for the California Community Colleges.
13. Establish policies regarding interdistrict attendance of students.
14. Advise and assist district governing boards on the implementation and interpretation off state and federal laws affecting community colleges.
15. Carry out other functions as expressly provided by law.

C. Whenever a Subject to, and in furtherance of, subdivision (a), the BGCCC shall have full authority to adopt rules and regulations necessary and proper to execute the functions specified in this section as well as other functions that the BGCCC is expressly authorized by statute to regulate.

D. power is vested in the BGCCC, the Board of Governors may adopt, by majority vote, a rule delegating that power to the chancellor, or any officer, employee or committee of the system or the district, as the BGCCC may designate.

E. The BGCCC shall establish and conduct a consultation process with institutional representatives of districts which will ensure their participation in the development and review of policy proposals.

FISCAL AUTHORITY OF THE CHANCELLOR'S OFFICE

The Chancellor's Office is the agency with the most explicit and extensive responsibility for ensuring that local community colleges follow sound fiscal management practices and remain fiscally sound. The authority to intervene in the control and governance of local community college districts primarily comes from Education Code Section 84040 (Ch. 1372, Statutes of 1990) which requires the Board to adopt "criteria and standards for periodic assessment of the fiscal condition" of the districts as well as regulations to encourage sound fiscal management practices. This code section also requires local governing boards to report periodically to the board of governors regarding the fiscal condition of their district, and requires the Board of Governors to "develop appropriate procedures and actions for districts which fail to achieve fiscal stability or which fail to comply with the board of governors' recommendations" including the authority to appoint a special trustee to manage the district, and authorizes the BGCCC to reduce or withhold apportionment to districts to pay for the cost of the special trustee, management review or other costs resulting from the districts' fiscal difficulties.

The BGCCC adopted implementing regulations in 1987 and amended them in 1992. These regulations and the accompanying revision to the Procedures and Standing Orders delegate responsibility to the Chancellor for administration of the fiscal monitoring system and:

- Require each district to submit a quarterly report detailing the district's financial and budgetary conditions.
- Require the Chancellor or his designee to review the quarterly reports and determine if follow-up or intervention is needed.
- Define the need for intervention as "a high probability that if trends continue unabated the district will need an emergency apportionment within three years or the district is not in compliance with the principles of sound fiscal management as specified in regulations."
- Allow for follow-up or intervention including required submission of additional or more frequent reports, requiring the district to respond to specific concerns, and directing the district to prepare and adopt a detailed plan for achieving fiscal stability and an educational plan demonstrating the impact of the fiscal plan on the district's educational program.

The regulations define principles which "serve as the foundation for sound fiscal management in community college districts" and broadly define the scope of those principles. The principles are implemented through a set of internal processes

which detail the specific factors or "triggers" considered in determining whether a district is placed on monitoring status. The triggers include:

I. General Fund Balance and Balance Sheet Accounts

(a) General fund balance less than 3% of expenditures (minimum level)

(b) General fund balance less than 5% of expenditures (prudent level)

(c) Major decline of general fund balance over several years

(d) Borrowing funds at year end for cash flow

(e) Transferring funds at year end from other funds for cash flow or to increase the fund balance while having a balance below 5%

II. Revenues and Expenditures

(a) General Fund deficit spending pattern over several years

(b) Salary increases exceeding a specified threshold (currently set at COLA) for two or more years

(c) Staffing expenditures exceeding COLA for two or more years while maintaining a General Fund balance below 5%

(d) Significant FTES decline

(e) Significant unfunded FTES

III. Other

(a) Notices or alerts from the district and/or the county

(b) Significant transfers over several years from the General Fund to support other district operations while reducing the General Fund balance below 5% (applies primarily to Special Revenue Funds and Enterprise Funds)

(c) Major audit citings

(d) Commingling Certificate of Participation (COP) funds with the general operation moneys of the district or using COP money for general operations

(e) Significant delays in submission of required reports

Following this financial review and its verification, the Chancellor's Office makes an overall assessment of a district's financial condition, determining the significance of each of the review findings in the context of that district's total profile. Based on that overall assessment, the Chancellor's Office determines follow-up priority based on the following schedule:

(1) No Follow-up – District with no discernable fiscal problems

(2) Priority Three – District with potential fiscal problems that should be addressed within 18 - 36 months to avoid becoming more serious

(3) Priority Two – District with significant fiscal problems that require corrective action within 6-18 months to avoid the possibility of needing an emergency apportionment

(4) Priority One -- District with acute fiscal problems requiring immediate corrective action to avoid the need for an emergency apportionment

Follow-up then is stratified according to the priority listing with those having no follow-up indicator not contacted except to clarify information. A Priority Three district might be requested by telephone or letter to provide further information on the factors in question, and occasionally there might be a visit. A Priority Two district would be scheduled for a site visit followed by a written statement of Chancellor's Office findings and requiring a district response in writing. A Priority One district would have a monitor assigned to administer it.

The normal contact between the Chancellor's Office and Priority Two or Three districts is between the Fiscal Business Services Unit and the district's Chief Business Officer (CBO), although communications can be elevated to the level of Vice Chancellor of Fiscal Policy or the Chancellor and the District Superintendent or Chancellor. Such follow-up is to validate the Chancellor's Office assessment, to allow the district staff to explain or clarify issues, and to evaluate the district's strategy for addressing the problem.

Historical review of the Chancellor's Office Fiscal Monitoring System reveals the following numbers of districts on the priority watch lists over the past eleven years:

YEAR	PRIORITY 1	PRIORITY 2	PRIORITY 3
9/30/87	2	3	12
6/30/88	1	2	14
6/30/89	0	5	6
6/30/90	0	2	6
6/30/91	0	4	10
6/30/92	0	2	11
6/30/93	0	2	12
6/30/94	0	4	17
6/30/95	0	1	15
6/30/96	0	0	10
6/30/97	0	3	11
3/31/98	0	2	12

The statutory and regulatory authority of the Chancellor's Office and of the fiscal monitor to intervene in local districts is buttressed further by Chancellor's Office Legal Opinion 94-15 which concluded that "the monitor assigned by the Chancellor has extremely broad authority over a district experiencing fiscal instability" including "comprehensive authority as needed to bring about fiscal stability," and further notes that "the general proposition of local authority is superseded when a district fails to achieve fiscal stability and comes under the authority of a monitor."

MANAGEMENT AUTHORITY OF THE CHANCELLOR'S OFFICE

The Chancellor's Office has authority for requiring that districts meet minimum standards in the management as well as the fiscal arena. This authority is provided by Title V regulations Section 70901(b)(2) which states:

> Subject to, and in furtherance of, subdivision (a), and in consultation with community college districts and other interested parties as specified..., the board of governors shall provide general supervision over community college districts, and shall, in furtherance thereof, perform the following functions:
> ...(2) Evaluate and issue annual reports on the fiscal and educational effectiveness of community college districts according to outcome measures cooperatively developed with those districts, and provide assistance when districts encounter severe management difficulties.

PROGRAM REVIEW AUTHORITY OF THE CHANCELLOR'S OFFICE

The Chancellor's Office has authority to monitor compliance of local districts with state requirements. Specifically, the Chancellor's Office has authority to conduct a program review visit to every categorical program, including credit and non-credit matriculation, Disabled Students Programs and Services (DSP&S), Americorps, and EOPS. They review plans and accountability documents for Cal-Works, but have not established a site visit process to date. They are charged with reviewing Transfer Center Standards, but have not asked for the required reports due to insufficient staffing.

In addition to its general compliance and review authority, Section 55130 of Title 5 (on the approval of credit programs) gives the Chancellor authority to terminate a credit program at a local college. Specifically, this section reads:

> (d) An approval is effective until the program or implementation of the program is discontinued or modified in any substantial way. From time to time, the Chancellor may evaluate an education program, after its approval, on the basis of factors listed in this section. If on the basis of such an evaluation the Chancellor determines that an educational program should no longer be offered, the Chancellor may terminate the approval and determine the effective date of termination.

ACCREDITING COMMISSION FOR COMMUNITY AND JUNIOR COLLEGES (ACCJC)

Accreditation is a means of voluntary non-governmental review by educators to assure that the operations of a college or university reflect educational quality. Accredited institutions meet the standards of quality set by the agencies that have accredited them, and they enjoy wide acceptability of their credits by other institutions.

Accreditation not only certifies that an institution meets established educational standards; it serves as an aid to institutions in improving their operations beyond these standards, both by requiring institutional self-studies of programs and problems and also by periodically sending educators from other institutions to visit the campus for re-accreditation and to offer suggestions for improvement.

There are two basic types of educational accreditation: (a) "institutional" and (b) "specialized" or "programmatic." Institutional accreditation normally applies to an entire institution, indicating that each of an institution's parts is contributing to the achievement of the institution's objective. Specialized or programmatic accreditation normally applies to programs, departments, or schools within an accredited institution. Among the 75 accrediting agencies that review California community colleges are 42 which are recognized by the Council on Higher Education, including such agencies as : the American Dental Association Commission on Dental Accreditation, the American Physical Therapy Commission on Accreditation in Physical Therapy Education, and the National League for Nursing.

The "umbrella" institutional accreditation body is WASC (the Western Association of Schools and Colleges). Functioning under that "umbrella" is ACCJC, which accredits California community colleges, as one of three WASC accrediting commissions functioning in California. (The other two are the Accrediting Commission for Schools which accredits secondary schools and the Accrediting Commission for Senior Colleges and Universities which accredits the four-year and graduate-level institutions). Each of the Commissions independently establishes standards which cover institutional mission, integrity, effectiveness, educational programs, student services, information and learning resources, faculty and staff, physical and financial resources, and governance and administration. ACCJC has authority which derives from both direct and indirect sources. The primary statutory authority is Section 51016 of Title V regulations which requires that, as a minimum condition for receiving apportionments, every community college within a district must be an accredited institution as determined by the ACCJC.

The accreditation commission also is accorded authority to investigate, question, or intervene in college affairs through its "gatekeeper" relationship with the federal government and federal programs because regional accreditation is required for access to Federal Title IV financial aid, Title III, and institutional federal grants such as those from the National Science Foundation and the National Institutes of Health. Thus, colleges are responsive to the concerns of the accreditation commission because their access to both state and federal funds may be interrupted otherwise.

Another source of authority for the accreditation commission is the reticence of four-year institutions to accept transfer credit from community colleges unless they are accredited. Finally, the perception of schools in the public eye lends another important source of power for the commission. Because of the importance of these powers, colleges instituting substantial programmatic changes which alter the scope or nature of the institution may contact the accreditation commission during the planning process to gain assurance that these programs will meet commission standards. Thus, the accreditation commission is accorded significant deference in any actions it takes or inquiries it makes regarding the conduct of activities within local community colleges.

There are a variety of steps for accreditation and they differ for colleges which are candidates for initial accreditation and for those seeking reaffirmation of accreditation. This summary will focus on those seeking reaffirmation of

accreditation since that is the common position of California community colleges. Actions/steps which can be taken on accredited institutions are as follows:

- Reaffirmation of accreditation (for six years) without conditions.
- Reaffirmation of accreditation, with a request for a follow-up report to be submitted by a specific date, to achieve resolution within a one to two-year period.
- Reaffirmation of accreditation to be followed by a special visit. In such cases, the commission will specify the nature, purpose, and scope of any further information to be submitted by the institution and of the visit to be made. Institutions are expected to achieve resolution of issues within a one-to two-year period.
- Deferment of a decision on accreditation pending receipt of specified additional information from the institution or to permit an institution to correct serious weaknesses and report to the commission within six months or less. The report is followed by a visit which focuses on the concerns of the commission. The commission specifies the nature, purpose, and scope of the information to be submitted and the visit to be made. The accredited status of the institution continues during the period of deferment.
- Warning. When the commission finds that an institution has proposed a course deviating from the Commission's eligibility criteria, standards, or policies to an extent that concerns the Commission, it may issue a warning to the institution to correct its deficiencies, refrain from certain activities, or initiate certain activities within a stated period of time. The Commission will give the institution written reasons for its decision. During the warning period, the institution will be subject to reports and visits. Resolution of the concerns is expected within two years. The accreditation status of the institution continues during the warning period.
- Probation. When an institution fails to respond to conditions imposed upon it by the commission, including a warning, or when it deviates significantly from the commission's eligibility criteria, standards, or policies but not to such an extent as to warrant a show cause order or the termination of candidacy or accreditation, it may be placed on probation for a specified period of time. While on probation, the institution will be subject to special scrutiny by the commission, including a requirement to submit periodic prescribed reports and receive special visits by representatives of the commission. The commission will give the institution written reasons for its decision. Institutions are expected to correct deficiencies within a two-year period. If the institution has not taken steps satisfactory to the commission to remove the cause or causes for its probation at the end of the specified time, the commission will issue a show cause order. The accredited status of the institution continues during the probation period.
- Show Cause. When the commission finds an institution to be in substantial non-compliance with its eligibility criteria, standards, or policies or when the institution has not responded to the conditions imposed by the commission, the commission may require the institution

to show cause why its accreditation should not be withdrawn at the end of a stated period. In such cases, the burden of proof rests on the institution to demonstrate why its accreditation should be continued. While under a show cause order, the institution will be subject to special scrutiny by the commission, including a requirement to submit periodic prescribed reports and receive special visits by representatives of the commission. The commission will give the institution written reasons for its decision. Resolution of the reasons for the show cause order should be achieved within one year. The accredited status of the institution continues during the period of the show cause order.

- Termination of Accreditation. If, in the judgment of the commission, an institution has not satisfactorily explained or corrected matters after receiving notice, its accreditation may be terminated. The commission will give the institution written reasons for its decision. Termination of accreditation is subject to a request for review and appeal under the applicable policies and procedures of the commission and WASC. The accredited status of the institution continues pending completion of any review appeal process the institution may request. Otherwise, the institution's accreditation ends on the date when the time period permitting such a request expires. In such a case, the institution must complete again the entire accreditation process to qualify for candidacy or accreditation.

SUMMARY OF ACCJC COMMISSION ACTIONS
1993-94 through June 1998

ACTION	1993-94	1994-95	1995-96	1996-97	1997-98
Applicant	0	4 (denied)	1 (denied)	2	2 (denied)
Candidacy	1	0	0	0	0
Initial Accreditation	1	2	0	0	0
Reaffirm	6	9	5	8	7
Reaffirm w/Report	6	4	7	7	10
Reaffirm w/Report & Visit	6	12	10	4	5
Deferral[1]	1	3	1	0	0
Warning[1]	2	2	3	3	7
Probation[2]	4	3	6	5	2
Show Cause[2 3]	1	0	0	0	2
Termination[2 3]	1	0	0	0	0
Withdrawal/Closure /Transfer	0	0	1	0	0
Substantive Change	4	4	9	6 (1 denied)	6
Progress Reports[4]	13	17	8	9 (1 denied)	19
Special Reports[5]					2

STATE BUREAU OF AUDITS/JOINT LEGISLATIVE AUDIT COMMITTEE (JLAC)

Another agency with extraordinary powers of oversight and intervention in the operation of local agencies is the State Bureau of Audits, a state agency within the Little Hoover Commission, authorized by Government Code Sections 8543 – 8546 to conduct audits and to compel state and local agencies to produce any records the auditor deems appropriate.

The work of the State Bureau of Audits is determined in one of two ways: 1) a request from a legislator to the Joint Legislative Audit Committee, or 2) in response to state budget control or trailer language. In the first instance, a legislator sends a letter summarizing the issue of concern to the Joint Legislative Audit Committee (JLAC). The Committee forwards it to the State Bureau of Audits for analysis. A legislative hearing is held with testimony from the legislator seeking the audit and the potential auditee and a vote is taken. For an audit to proceed, at least four of the seven Assembly members and four of the seven Senators must vote in favor of the motion.

Once the State Bureau of Audits has been asked to conduct the audit, either by the JLAC or budget language, the auditors have extensive authority to investigate and to demand production of any and all documents they deem necessary for their investigation. If necessary, they can use subpoena powers to require production of such documents; they also can take sworn statements from all parties. Finally, they can use their "stand in the shoes" power. This means that, when the SBA auditors

[1] Deferrals and warnings are private negative actions followed by reports and visits.
[2] Public negative actions followed by reports and visits.
[3] Public negative action subject to ACCJC and WASC appeal.
[4] Follow-up resulting from Prior Commission actions.
[5] Follow-up on Commission action regarding multi-college systems.

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enter a district, it is as though they are "standing in the shoes" of any state or local official and they assume the powers and authority of that official in their dealings with the district. The powers of subpoena, sworn statements, and "stand in the shoes" authority are rarely used by the Bureau of Audits because the office is more likely to show the statutory and case law (which has never been overturned) to attorneys for any agencies which are resistant; once they do so, attorneys routinely advise their district-clients to cooperate with the auditors.

Over the past twelve years, the State Bureau of Audits has conducted approximately 16 general audits on community college districts as a group (to determine whether tax increment, economic development, or redevelopment funds were distributed properly), and another five audits of specific community college districts (including one which is underway at the present time.)

GRAND JURY

The county grand jury is an investigatory body created for the protection of society and the enforcement of the law. The Fifth Amendment of the US Constitution and the California Constitution both call for grand juries. Grand juries are intended to ensure that the best interests of all citizens of the county are being served by their governmental bodies. Its functions include:

- To examine county and city government and special districts to ensure that their duties are being conducted lawfully.
- To review and evaluate procedures utilized by county and city government and special districts to determine whether more efficient and economical methods may be employed in their operations. In this evaluation, the grand jury is authorized to inspect and audit books, records, and financial expenditures to ensure that public funds are properly accounted for and legally spent, and to investigate any charges of willful misconduct in office by public officials or employees.
- To investigate allegations of criminal activity including cases: involving public officials; with multiple defendants; with special witnesses, such as children, informants, and undercover agents; and cases in which the statute of limitations is about to expire.
- To investigate citizen complaints alleging mistreatment by officials, suspicions of misconduct or governmental inefficiencies.

Questions were raised in 1995 about the ability of Grand Juries to investigate school districts, presumably including community college districts. In response, the California Attorney General issued Opinion No. 95-113 (1995 Cal. AG LEXIS 60; 78 Op. Atty Gen. Cal. 290) dated September 13, 1995 which concluded that a grand jury may investigate and report upon the manner in which a school district performs its duties and functions. More specifically the Attorney General ruled that

> "...[S]ome of the operations of the school district which involve the question of how a school district performs its functions would fall within grand jury oversight. For example, the manner in which a school district decides upon the districts' 'course of study' would be subject to scrutiny, whereas the

substantive makeup of the 'course of study' itself would not. Likewise, the way the district determines the number of its officers, teachers, and other personnel and their selection could be investigated by the grand jury, but the actual selection of particular officers or other school personnel would not be subject to investigation. Similarly, while a grand jury may not investigate why a school district has a particular policy regarding truancy, it may investigate the process, procedure, or manner of reaching such a decision in order to make 'watch dog' recommendations to improve the district's operations."

"In the area of business activities and a search for possible 'sloppy business practices,' grand jury oversight may encompass such matters as the controls used over personnel authorized to expend school district funds, clearly a procedural matter. More mundane matters such as whether the district is maintaining adequate records of its business operations would of course be subject to investigation as would the financial controls used to prevent possible fraud or other illegal expenditures. The grand jury could not, however, dictate to the school board what controls it must in fact use."

"Another example of a possible 'sloppy business practice' could arise where the school board itself orders its own supplies instead of utilizing the buying power of the state or the county if appreciable savings would accrue. This example also demonstrates the line to be drawn with respect to grand jury oversight. Whether to use centralized or school district purchasing procedures is initially a matter of discretion with the school district board. Once the procedure is selected and in place, it constitutes a procedural matter subject to grand jury oversight and comment."

DISTRICT ATTORNEYS' OFFICES

An additional area of scrutiny affects local boards of trustees in the conduct of board meetings, which are regulated by Education Code sections known as the Brown Open Meeting Act. In order to assure that trustees do not engage in prohibited closed session meetings, the statute allows the district attorney or any interested person to file a civil action asking the court to:

- Stop or prevent violations or threatened violations of the Brown Act by members of the board.
- Determine the applicability of the Brown Act to actions or threatened future action of the board.
- Determine whether any rule or action by the board to penalize or otherwise discourage the expression of one or more of its members is valid under state or federal law.
- Compel the board to tape record its closed sessions. The court may later review the tapes if there is good cause to believe the Brown Act has been violated, and make public the relevant sections.

- Invalidate a board's actions that violate the Brown Act's provisions regarding open meetings; and the notice and agenda requirements for regular meetings, closed sessions, tax hearings, and special meetings.

In addition to the civil remedies listed above, the district attorney can file a criminal misdemeanor complaint against board members who attend a meeting at which action is taken in violation of the Brown Act with the intent "to deprive the public of information to which the member knows or has reason to know the public is entitled."

COUNTY OFFICES OF EDUCATION

When community colleges were part of K-14 education, county offices of education had some oversight authority over community colleges; however, the controlling section of the code now is Education Code Section 1240(j)(4) which states:

> "The county superintendent of schools is not responsible for the fiscal oversight of the community colleges in the county, however, he or she may perform financial services on behalf of those community colleges."

As a matter of convenience, most community college districts utilize financial services of the counties; and although the county offices do not appear to have legal authority over the colleges, some have taken on some responsibility, justified or not, to exercise a level of oversight and require that colleges engage in some extra steps. For example, there are instances in recent years in which a county has prohibited a community college from moving funds from one account to another after the end of the fiscal year; has told a college to amend its financial records to be consistent with county records; and has refused to forward money to a CEO under contract because they believed they were precluded from doing so under state law. These appear to be limited instances, however.

OTHER

There are an extensive variety of other federal, state, and local agencies which have varying amounts of authority over elements of community college operation. These include such agencies as: the Environmental Protection Agency (EPA), Federal Emergency Management Authority (FEMA), the Seismic Safety Commission, California Compensation Insurance Fund, the Social Security Administration, and Occupational Safety and Health (Cal-OSHA). Each of these has limited, but important authority to require adherence to federal or state statutes, regulations, and guidelines.

CONCLUSIONS

Based on this limited review of the controls and mechanisms currently in place for oversight of, and intervention in, the local operations of the California Community College districts, it would appear that there are many significant protections in place for the students served and the citizens of the state.

March 15, 1999

Manuel T. Ontiveroz
North Orange County CCD, Trustee
531 N Colgate St
Anaheim CA 92801

Dear Mr. Ontiveroz:

The Community College League of California welcomes you. As a new trustee you will no doubt find many challenges in carrying out your responsibilities. However, we are just as certain that there will be many more rewards.

The League exists to serve the interests of the state's public community colleges. Within the League are two major organizations that share a common mission: the California Community College Trustees (CCCT) and the Chief Executive Officers of the California Community Colleges (CEOCCC). We offer a variety of services from facilitating board retreats to sponsoring educational workshops, seminars and conferences dealing with the issues facing our colleges.

Included in this welcoming packet are copies of our most recent publications, a schedule of League board meetings and information about the League, its activities and services. You have been added to our mailing list and will receive all future publications. Included in this packet are:

- ***Trustee Handbook***, updated annually and filled with useful information;
- ***Board Focus***, information and strategies for effective trusteeship;
- ***The NEWS***, timely articles on key issues and local programs;
- ***League In Action***, a summary of League activities and services published Spring and Fall;

A complimentary copy of the ***1998 Community College Directory*** also is enclosed. In addition, our Web site at *www.ccleague.org* contains extensive legislative information, most of our publications, and links to a variety of community college related resources.

League staff is here to help. We can be reached between 8:00 A.M. and 5:00 P.M. weekdays at 916/444-8641. Our FAX number is 916/444-2954. You can e-mail us at *cclc@ccleague.org*. Our Legislative office phone number is 916/441-0353 and the fax number there is 916/441-0378.

We look forward to working with you in support of our common purposes on behalf of community colleges and welcome you to the California community college family!

Sincerely,

David Viar
Executive Director

Mary Mason
President, CCCT

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